



July 27th, 2006

TO: Transportation Authority of Marin Commissioners

FROM: Dianne Steinhauser, Executive Director

RE: Addendum to Agreement with Local Government Services (LGS) for hiring of staff
(Planning Manager), Agenda Item 6d

Dear Commissioners:

Executive Summary

At the April 27, 2006 TAM board meeting, a new Agreement with Local Government Services was entered into that allowed TAM to use LGS for the hiring of additional TAM staff. This agreement followed a multi-month review by the Board of whether TAM should go out on its own for hiring staff or use LGS as was done in the hiring of the Executive Director. Based on lower costs and immediate ability to hire staff, the TAM Board entered into an agreement to hire the positions approved by the Board, the exec assistant and 4 managers.

In the April Agreement, only the salary and benefits for the soon-to-be hired Executive Assistant were final. Since then, in May and June, TAM has amended the agreement with LGS once the exact salary and benefit levels have been negotiated with each new hirer as they are about to come onboard. Previous amendments included the final costs for the Programming Manager and Finance Manager. This amendment brought forward now, Amendment 3, will finalize the cost for the Planning Manager. The attachments hereto include the detailed amendment and pertinent attachments to the amendment.

Recommendation: That the TAM Board authorize Amendment 3 to the April 27th 2006 TAM/LGS Agreement, authorizing the hiring of and adding in the costs for the TAM Planning Manager.

Third Amendment To The
April 27, 2006 AGREEMENT FOR MANAGEMENT AND ADMINISTRATIVE
SERVICES

This Amendment (this "Amendment") to the Agreement for Management and Administrative Services between the Transportation Authority of Marin and Local Government Services Authority, dated April 27, 2006 is made and entered into as of the twenty-seventh of July, 2006, by and between the **Transportation Authority of Marin** ("TAM" or "Authority"), a public authority, and **Local Government Services Authority** ("LGS"), a joint powers authority (each individually a "Party" and, collectively, the "Parties").

RECITALS

THIS AMENDMENT is entered into with reference to the following facts and circumstances:

- A. That TAM desires to extend its engagement of LGS to render certain services to TAM;
- B. That LGS is a management and administrative services provider and is qualified to provide such services to TAM; and
- C. That TAM has elected to engage the services of LGS upon the terms and conditions in the April 26th, 2006 agreement as modified in the First and Second Amendments and as hereinafter set forth in this Third Amendment.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by LGS under this Amendment shall include those services set forth in **Exhibit A**, which is by this reference incorporated herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Amendment supersede and prevail over any terms set forth in Exhibit A.

Section 2. Term of Amendment and Termination. Services shall commence on April 27, 2006 and shall continue until June 30, 2008, at which time it may be extended by mutual consent of the Parties for up to two one-year intervals until terminated. This Agreement may be terminated by either Party, with or without cause, upon thirty (30) days written notice. TAM has the sole discretion to determine, if the services performed by LGS are satisfactory to the TAM, which determination shall be made in good faith. If the TAM determines that the services performed by LGS are not satisfactory, the TAM may terminate this Agreement by giving written notice to LGS. Upon receipt of notice of termination by either Party, LGS shall cease performing duties on behalf of TAM on the termination date specified and the compensation payable to LGS shall include only the period for which services have been performed by LGS.

Section 3. Compensation. Payment under this Amendment shall be as provided in **Exhibit B**.

Section 4. Effective Date. This Amendment shall become effective when executed by both Parties.

Section 14. Entire Agreement. This Amendment, including **Exhibit A**, and the April 27th Agreement, including its **Exhibit A**, comprises the entire Agreement

Section 16. Notices. All notices required by this Agreement shall be given to TAM and LGS in writing, by first class mail, postage prepaid, addressed as follows:

TAM: Transportation Authority of Marin
PO BOX 4186
San Rafael, CA 94913-4186

LGS: Local Government Services (LGS)
50 Woodside Plaza, Suite 101
Redwood City, CA 94061

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed on the date first written by their respective officers duly authorized on their behalf.

TRANSPORTATION AUTHORITY OF MARIN

DATE:

By: Steve Kinsey, TAM Board Chair

APPROVED AS TO FORM:

DATE:

By: TAM Attorney

LOCAL GOVERNMENT SERVICES

DATE:

By: Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATE:

By: Elizabeth Silver, Attorney

ATTEST TO LGS SIGNATURE:

By: Board Appointed Secretary-Monica Espinoza

EXHIBIT A

SCOPE OF SERVICES

LGS shall assign an individual to perform the tasks identified in each of the job descriptions for the positions listed below, which are attached hereto and incorporated herein. LGS represents that each designated employee is competent to perform the described services.

- Programming Manager
- Executive Assistant/Clerk to the Board
- Finance Manager
- Project Delivery Manager
- Planning Manager

EXHIBIT B

COMPENSATION

Fees. The parties agree that the full cost of compensation and support for the assigned LGS employees shown in Exhibit A is the hourly cost stated below for each position:

- Executive Assistant/Clerk to the Board
- Programming Manager
- Finance Manager
- Project Delivery Manager
- Planning Manager

The Programming Manager, Finance Manager, Project Delivery Manager and Planning Manager positions are considered exempt positions. Billing by LGS to TAM shall be based on a forty hour work week. This cost is shown on an hourly basis. The cost is broken down as follows, and is:

Executive Assistant/ Clerk to the Board	Salary	\$29.04
	Benefits	\$13.92
	Fee	<u>\$ 6.94</u>
	TOTAL	\$ 49.90
Programming Manager	Salary	\$60.33
	Benefits	\$21.99
	Fee	<u>\$ 6.94</u>
	TOTAL	\$89.26

Finance Manager	Salary	\$62.11
	Benefits	\$22.37
	Fee	<u>\$ 6.94</u>
	TOTAL	\$91.42
Project Delivery Manager	Salary	\$61.69
	Benefits	\$21.92
	Fee	<u>\$ 6.94</u>
	TOTAL	\$90.55
Planning Manager	Salary	\$60.87
	Benefits	\$22.18
	Fee	<u>\$ 6.94</u>
	TOTAL	\$89.99

In no event shall the full cost of compensation and support paid under this agreement exceed \$1,374,700 for the period from May 25th, 2006 to June 30, 2008, for the assigned staff except for cost increases attributable to benefit costs increases agreed to by TAM. Benefit cost increases not agreed to by TAM will be borne by LGS employees assigned to perform TAM services. The baseline of benefits upon which the above cost is based is shown in Exhibit C. The baseline of benefits is shown for reference purposes only. LGS shall remain the sole responsible authority for assigning, administering, and paying benefits to employees. Any changes to the list of key LGS staff will be made by written notice of LGS' Executive Director to TAM.

The parties agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities or other post employment benefits for which LGS may be obligated for its employees or may otherwise be contractually obligated.

2. Reimbursement of LGS' Administrative Cost. The TAM shall reimburse LGS for LGS overhead as part of the hourly rate specified below, and direct external costs. Support overhead costs are those expenses necessary to administer this Agreement, and are included in the hourly rate.

3. Terms of Payment. LGS shall submit invoices monthly for the next month's services. With the exception of the first month of this agreement, invoices shall be at least 30 days in advance of the month for which they are due and shall be delinquent if not paid within 20 days of receipt. Invoices will include both estimated charges for the succeeding month as well as true-up adjustments for prior period estimates versus actual expenses. The estimated payment for the next month must be received prior to the beginning of the month for which service is to be provided, if the invoice was submitted on time. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%, which will be applied to any unpaid balance owed commencing seven (7) days after the payment due date. Additionally, in the event the TAM fails to pay any undisputed amounts due to the LGS within fifteen (15) days after payment due date, then the TAM agrees that the LGS shall have the right to consider said default a total breach of this Agreement and the duties of the LGS under this Agreement may be terminated by the LGS upon ten (10) working days advance written notice.

4. Payment Address. All payments due LGS shall be paid to: LGS,
Attention: Executive Director, 50 Woodside Plaza, Suite 101, Redwood City, CA 94061.

Exhibit C

BASELINE BENEFITS

			Average Monthly Costs
Vision	VSP		up to \$32.48 /mo
Retirement plan	CalPERS 2% @ 55 + pay employee share (7%)		19.449% of base salary per employee for FY06 [note that this rate is declining in FY07 to 11.856% + 7%]
Dental Insurance	Delta Dental		up to \$166.06 /mo
Life Insurance and AD&D	Reliance Standard		\$0.29/\$1,000 of covered payroll
Long Term Disability Insurance	Reliance Standard		\$0.58/\$100 of payroll mo
Health Insurance Benefit	CalPERS		\$531.55 for employee only; \$876.30 employee + 1; \$1013.32 family; expected 10% increase January 1, 2007
EAP			\$15.63/ mo
Vacation pay	10 days annually		n/a
sick pay	12 days annually		n/a
Holiday pay	10 days annually		n/a
bereavement pay	3-5 days included in sick leave		n/a
personal leave	management discretion; 3-15 days per yr		n/a